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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/688,628	10/17/2003	Vivian Agura	60655.1800	2587

66170 7590 06/14/2010  
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EXAMINER
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MYHRE, JAMES W

ART UNIT	PAPER NUMBER
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3688

NOTIFICATION DATE	DELIVERY MODE
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06/14/2010

ELECTRONIC

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

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<b>Office Action Summary</b>	<b>Application No.</b> 10/688,628	<b>Applicant(s)</b> AGURA ET AL.	
	<b>Examiner</b> JAMES W. MYHRE	<b>Art Unit</b> 3688	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 03 June 2010.
- 2a) ☐ This action is **FINAL**.                      2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 17-28 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 17-28 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)                                | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftperson's Patent Drawing Review (PTO-948)                        | 5) <input type="checkbox"/> Notice of Informal Patent Application                       |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)<br>Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____  |

## **DETAILED ACTION**

### ***Continued Examination Under 37 CFR 1.114***

1. A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on June 3, 2010 has been entered.

### ***Response to Amendment***

2. This Office Action is in response to the Amendment filed on June 3, 2010. The Amendment cancelled Claims 1-4 and 7-16 and added new Claims 17-28. Claims 5 and 6 were previously cancelled. Thus, the currently pending claims considered below are Claims 17-28.

### ***Claim Rejections - 35 USC § 103***

3. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

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4. This application currently names joint inventors. In considering patentability of the claims under 35 U.S.C. 103(a), the examiner presumes that the subject matter of the various claims was commonly owned at the time any inventions covered therein were made absent any evidence to the contrary. Applicant is advised of the obligation under 37 CFR 1.56 to point out the inventor and invention dates of each claim that was not commonly owned at the time a later invention was made in order for the examiner to consider the applicability of 35 U.S.C. 103(c) and potential 35 U.S.C. 102(e), (f) or (g) prior art under 35 U.S.C. 103(a).

5. Claims 17-28 are rejected under 35 U.S.C. 103(a) as being unpatentable over Fredregill et al (US 2005/0144074) in view of Davis (US 2004/0193491).

Claims 17, 27, and 28: Fredregill discloses a system, method and computer-readable storage medium for managing an on-line marketplace, comprising:

- a. receiving a selection of a non-tangible item (e.g. a service)(page 2, paragraph 0016; page 10, paragraph 0056; and page 13, paragraph 0072);
- b. placing an indicator of the non-tangible item in an electronic shopping cart (page 10, paragraph 0056 and page 13, paragraph 0072);
- c. receiving a first request to purchase the non-tangible item (page 13, paragraph 0072 - page 14, paragraph 0073);

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d. calculating a first amount of at least one of a loyalty points and a monetary value of said loyalty points to purchase the non-tangible item (page 13, paragraph 0072 – page 14, paragraph 0073); and

e. debiting first loyalty points from a first loyalty account for applying to at least a portion of the first amount (page 13, paragraph 0072 – page 14, paragraph 0073).

Fredregill does not explicitly disclose receiving account information for a second account associated with the non-tangible item and transferring the non-tangible item to the second account. However, Davis discloses a similar system, method, and computer-readable medium for managing an on-line marketplace in which the consumer identifies a second account (e.g. charity, retirement savings account, or mutual fund)(page 3, paragraph 0032 and paragraph 0036 – page 4, paragraph 0040) into which the non-tangible item (cash value of the redeemed loyalty points) is transferred (page 4, paragraph 0040). Davis also discloses several known programs that allowed a consumer to redeem loyalty points or miles for merchandise or donations to charity (e.g. GoldPoints™, TruCash™, TLS™, MileDonor™, etc.), for cash rebates (e.g. TruCash™), and for gift certificates of any amount over \$25 to the recipient of their choice (e.g. SaveDaily™). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made for Fredregill to allow the consumer to purchase non-tangible items such as investments into mutual funds/IRA accounts, charities, or cash rebates. One would have been motivated to allow the consumer to purchase such

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non-tangible items in order to assist consumers to set aside funds for savings and to increase charity donations as discussed by Davis (page 1, paragraph 0003).

Claims 18-20: Fredregill and Davis disclose the method as in Claim 17 above, and Davis explicitly discloses that the non-tangible item is a donation to charity, an investment in a retirement savings account (e.g. IRA account), or a cash rebate (i.e. monetary credit) (page 1, paragraph 0004 and page 3, paragraph 0032). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made for Fredregill to allow the consumer to purchase non-tangible items such as investments into mutual funds, retirement account (IRAs), charities, or to receive cash rebates. One would have been motivated to allow the consumer to purchase non-tangible items in order to assist customers to set aside funds for savings and to increase charity donations as discussed by Davis (page 1, paragraph 0003).

Claim 21: Fredregill and Davis disclose the method as in Claim 17 above, but do not explicitly disclose that the non-tangible item is frequent flyer miles. However, Fredregill discloses a “transfer points function” that “ allows the retailer to assist customers in consolidating points between two customer accounts.” (page 7, paragraph 0041). Additionally, Davis discloses that the consumer selects the desire option for redeeming the loyalty points, where “These options include, but are not limited to, cash, college savings fund, retirement savings fund, mutual fund, money market account, a bond, savings account, checking account, charity savings account and any other financial

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vehicle.” (page 3, paragraph 0037). The Examiner notes that “any other financial vehicle would include other loyalty programs such as frequent flyer miles or frequent shopper points. Furthermore, converting one type of loyalty award (e.g. points) for another type of loyalty award (e.g. miles) was well known at the time of the invention as shown by Dokken et al (US 2003/0225619)(Abstract). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made for Fredregill to allow the consumer to exchange (redeem) the loyalty points for frequent flyer miles or any other loyalty award. One would have been motivated to allow the consumer to exchange one type of award for another type in order to expedite reaching the required number of frequent flyer points for a desired prize, e.g. if the consumer is 500 frequent flyer points short of a desired prize, transferring the equivalent value of loyalty points to the frequent flyer account would allow the consumer to attain the prize without having to wait until they complete another flight (which may be months away for an individual, non-business consumer).

Claim 22: Fredregill and Davis disclose a method as in Claim 17 above, and Fredregill further discloses determining that the first loyalty account had an insufficient balance of points for the desired redemption, associating a second account with the consumer, and debiting the second account to cover the insufficient balance (page 7, paragraph 0041 and page 10, paragraph 0058 – page 11, paragraph 0059). Fredregill discloses a “transfer points function” that “allows the retailer to assist customers in consolidating points between two customer accounts.” (page 7, paragraph 0041).

Claim 23: Fredregill and Davis disclose a method as in Claim 17 above, and Fredregill further discloses determining a conversion ratio that is a mathematical proportion used to calculate a monetary value associated with the first loyalty points (page 5, paragraph 0027-0029 and page 12, paragraph 0065).

Claim 24: Fredregill and Davis disclose a method as in Claim 23 above, and Fredregill further discloses displaying a points calculator that is configured to determine a number of first loyalty points needed to purchase the non-tangible item (page 10, paragraphs 0056 and 0058).

Claim 25: Fredregill and Davis disclose a method as in Claim 17 above, and Fredregill further discloses receiving a second request to purchase a tangible item (page 2, paragraph 0016; page 10, paragraph 0056; and page 13, paragraph 0072); calculating a second amount of loyalty points necessary to purchase the tangible item (page 13, paragraph 0072 – page 14, paragraph 0073); debiting the first loyalty account for the second amount of loyalty points (page 13, paragraph 0072 – page 14, paragraph 0073); and receiving shipping information associated with the tangible item (page 4, paragraph 0024 and page 10, paragraph 0058 – page 11, paragraph 0059). Fredregill discloses the consumer selecting a plurality of desired items, placing the selected items in a shopping cart, and keeping a running total of the number of loyalty points needed to purchase each item, subcombinations of items in the shopping cart, or all of the items in



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the shopping cart. Based on the consumer's selection of item(s) (if any) desired to be purchased using loyalty points, the system automatically calculated and debits the loyalty account with the appropriate number of loyalty points.

Claim 26: Fredregill and Davis discloses a method as in Claim 17 above, and Davis further discloses associating the second account with the on-line marketplace (page 3, paragraph 0036). Davis discloses that the consumer is shown a list of account payout options from which to select the desired account to which the monetary value of the redeemed loyalty points will be deposited. These accounts from which the consumer can select are pre-approved by the issuer, i.e. they are associated with the on-line marketplace. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made for Fredregill to associate the second accounts (e.g. charities) with the on-line marketplace. One would have been motivated to associate the accounts with the marketplace (e.g. pre-approve) in order to assure they are legitimate accounts, thereby protecting the consumer from unscrupulous "charities" or other investment accounts.

### ***Response to Arguments***

6. Applicant's arguments with respect to claims 1-4 and 7-16 have been considered but are moot in view of the new ground(s) of rejection.

***Conclusion***

7. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

a. Dokken et al (US 2003/0225619) discloses a system, method, and computer-readable medium in which awards from various loyalty award accounts are converted and exchanged between the accounts thereby facilitating the valuing and liquidity of the points.

b. Thomas et al (US 2004/0254835) discloses a system, method, and computer-readable medium for managing consumer reward accounts from a plurality of merchants and allows transferring of part of the rewards to the consumer's saving or investment account.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to JAMES W. MYHRE whose telephone number is (571)272-6722. The examiner can normally be reached on Monday through Thursday 6:00-3:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Lynda Jasmin can be reached on (571) 272-6782. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

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Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

JWM

June 7, 2010

/James W Myhre/

Primary Examiner, Art Unit 3688